

ATTACHMENT A:

**DECLARATION OF RUSSELL OLIVER
ON BEHALF OF ONE COMMUNICATIONS CORP.**

**DECLARATION OF RUSSELL OLIVER
ON BEHALF OF ONE COMMUNICATIONS CORP.**

1. My name is Russell Oliver, and I am Executive Vice President, Strategy for One Communications Corp. (“One Communications”). In this role, I am responsible for evaluating future opportunities and driving the organization’s long-term strategic direction. I previously served as Chief Technology Officer of CTC Communications and Vice President of Business Development for Columbia Ventures Corporation. I have also held various executive positions at CTC including roles in network engineering, operations, information systems/information technology, marketing and product development. Prior to joining CTC in 1999, I was Vice President of Network Systems Integration, North America, for Williams Communications (WilTel), and served as Vice President of Operations for Comlink, Inc., a Northeast U.S. Telecommunications Integrator.

2. One Communications, with corporate headquarters in Burlington, Massachusetts, and operational headquarters in Rochester, New York, is the largest privately-held, multi-regional integrated telecommunications provider in the United States. One Communications offers advanced telecommunications solutions (including data and Internet services, VoIP and voice services, and bundled services) via DS0, xDSL, DS1, and DS3 loops to approximately 160,000 small and mid-sized business customers in 18 states across the Northeast, Mid-Atlantic and Upper Midwest, plus Washington, D.C. Among the 18 states in which One Communications provides service is Rhode Island, one of two geographic markets for which Verizon seeks forbearance from unbundling obligations before the Federal Communications Commission.

3. The purpose of this declaration is to describe (1) the network coverage that One Communications needs to establish in a geographic market in order to achieve profitability in that geographic market; (2) One Communications’ requirements for a wholesale provider of

loops to be considered a viable alternative to the incumbent LEC for such inputs; and (3) the innovative services that One Communications provides via unbundled network element (“UNE”) loops and transport.

4. One Communications must incur substantial fixed costs in order to enter a particular geographic market. For instance, One Communications must establish collocation arrangements, purchase equipment, and hire and train network engineers, technicians, sales associates, and other personnel.

5. In order to recover these fixed costs and ultimately achieve profitability, One Communications must be able to serve a sufficient number of business customers in a given area. Moreover, many of One Communications’ small and medium-sized business customers have multiple locations within the same urban area, and such customers generally demand that their service provider serve all of their locations within the urban area. For example, if a small bank has branches in seven towns in the Providence Metropolitan Statistical Area (“MSA”) but One Communications serves only five of those locations, it is unlikely that One Communications will win the bank’s business. Importantly, One Communications’ multi-location customers’ different locations are generally all located within the same MSA, although there are often significant distances between such locations.

6. In addition to the minimum number of business locations that it must serve in a geographic area, One Communications determines the specific boundaries of the geographic areas it will serve based on several other factors. These include not only the locations of businesses and office parks and the proximity of fiber and central offices to those businesses and office parks but the amount of driving time it takes for One Communications’ sales associates and network engineers to reach customers, and the ability of those personnel to use the highway

system to meet with customers and maintain One Communications' network. One Communications has found that MSAs tend to encompass these driving and communications patterns.

7. Based on its analysis of the *minimum number* of small and medium-sized business customers that One Communications must serve in a geographic area and its analysis of the *locations* to which One Communications can efficiently provide service in a geographic area, One Communications has concluded that, at a minimum, it must be able to serve the small and medium-sized businesses in approximately 70 to 80 percent of wire centers in an MSA in order to achieve profitability.

8. One Communications' experience supports the conclusion that minimum viable scale can only be achieved if a competitor can serve a geographic area roughly the size of an MSA. In general, One Communications serves areas that roughly approximate MSAs rather than subsets of MSAs. For example, it has been One Communications' experience that in order to properly and efficiently serve the Providence area, a telecommunications carrier must serve the entire area of common economic interest. That area is larger than the state of Rhode Island. In fact, the area of common economic interest in and around Providence includes the entire Providence MSA, including the areas in Massachusetts that are within that MSA.

9. In addition to ensuring that its network has sufficient reach, One Communications must ensure that it can obtain DS0, conditioned copper loops, DS1, and DS3 loops from a wholesale provider on efficient terms and conditions. In order to be considered a viable wholesale provider of loops for One Communications, the provider must have fully developed operations support systems ("OSS") and offer electronic bonding such that One Communications can accomplish ordering, provisioning, maintenance, repair and billing of loops and transport in

a timely and cost effective manner. If a wholesale provider does not have these capabilities, One Communications' costs of providing service exceed efficient levels and the quality of its customer service will deteriorate, thereby hindering its ability to compete. I am not aware of any non-incumbent LEC provider of wholesale loop facilities in Rhode Island that has deployed sufficient OSS capabilities to enable One Communications to rely on that wholesale provider to offer downstream retail services.

10. It is also important to emphasize that, for One Communications to rely on a wholesale provider of loops, the wholesale provider must, as a general matter, be able to serve all of the locations One Communications seeks to serve in a given geographic area. This is because the fixed and recurring transaction costs associated with establishing and managing two or more wholesale relationships are generally too high to enable One Communications to rely on two wholesale providers. For example, One Communications would have to incur the costs associated with establishing efficient electronic ordering and provisioning systems with two, rather than one, wholesale providers. One Communications would have to conduct proactive network monitoring of two, rather than one, wholesale providers' networks. One Communications would also incur the additional costs and experience delays associated with reconciling multiple providers' bills and using multiple providers' provisioning platforms. Establishing these duplicate capabilities and incurring these duplicate costs would make it extremely difficult, and in some cases impossible, to achieve the level of service required to compete in the marketplace while achieving profitability in a geographic market. To be sure, there are isolated circumstances within One Communications' footprint in which One Communications has been able to justify relying on two or more wholesale loop providers in an MSA. But where this is the case, One Communications purchases a very small number of loops

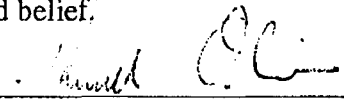
of a variety that One Communications does not generally utilize (e.g., DS3 loops). As explained, One Communications cannot efficiently rely on multiple wholesale loop providers in a geographic area for loops that One Communications primarily utilizes (i.e., DS0 loops and conditioned copper loops).

11. Cox Business (“Cox”) does not appear to be a viable wholesale provider of loop facilities in Rhode Island. To begin with, Cox does not offer cable modem transmission facilities to wholesale customers. While Cox does apparently offer other types of high capacity loops to wholesale customers, Cox has not demonstrated an interest in providing such loops to One Communications. Indeed, One Communications has repeatedly requested pricing and other information from Cox, but Cox has been reluctant to provide it. Cox has failed to provide entire categories of price and feature information that One Communications has requested. From the little pricing information that One Communications has received from Cox regarding its wholesale loop services, it appears that Cox’s prices for DS1 or DS3 facilities are not low enough for Cox to be a viable alternative to the incumbent LEC as a provider of wholesale loops to One Communications. Moreover, even if Cox’s prices were lower, it could not serve as One Communications’ primary provider of wholesale DS1 loops because Cox’s network does not cover all of the areas that One Communications seeks to provide service in Rhode Island. Furthermore, One Communications has no basis for concluding that Cox has developed sufficient wholesale OSS to enable One Communications to rely on it as a viable alternative provider of wholesale loops.

12. Finally, it is important to emphasize that consumers experience substantial benefits from the services that One Communications is able to provide over UNE loops provided by Verizon. For example, One Communications is developing a service that relies on multiple

conditioned copper UNE loops that are bonded together using Ethernet in the First Mile over Copper technology to deliver Internet access at speeds ranging from 3, 5, 7, and 10 Mbps. The copper bonding technology used to provide this service is more reliable (e.g., it results in less packet loss) than traditional ADSL service and it provides near symmetrical bandwidth speeds. Moreover, this technology enables small and medium-sized businesses to receive lower-priced, high-speed Ethernet services where fiber does not exist. One Communications plans to release this Internet access service by July 2009 across its entire footprint, including Rhode Island. Following that release, One Communications plans to use the same copper bonding technology to provide additional services, including voice and Virtual Private Network services.

I declare under penalty of perjury that the foregoing is true and correct to the best of my information and belief.



Russell Oliver

Dated: 4-9-2009

ATTACHMENT B:
DECLARATION OF BROOKS ROBINSON
ON BEHALF OF CBeyond, INC.

DECLARATION OF BROOKS ROBINSON ON BEHALF OF CBeyond, INC.

1. My name is Brooks Robinson, and I am the Chief Marketing Officer of Cbeyond, Inc. (“Cbeyond”). In this role, I lead Cbeyond’s sales and marketing organization. I have also held leadership positions in business strategy, operations and channel development at Cbeyond since early 2000. Prior to joining Cbeyond, I worked for Cambridge Strategic Management Group (“CSMG”), a strategy consulting firm in Boston. While at CSMG, I managed consulting engagements that focused on strategy development and business case due diligence for the telecom and high-tech sectors. Previously, I managed consulting engagements for Deloitte Consulting in Toronto and held various engineering positions at Nortel in Ottawa. I hold a bachelor of applied science degree in electrical engineering and management science from the University of Waterloo (Canada) and the University of Queensland (Australia).

2. Cbeyond is a leading IP-based managed services provider that delivers integrated packages of high-speed Internet, local and long distance phone, and mobile services, as well as productivity-enhancing applications such as web hosting and virtual private networking, to more than 42,000 small businesses throughout the United States. Cbeyond offers these services via DS1 loops to small businesses in the following 12 markets: Atlanta, Chicago, Dallas-Fort Worth, Denver, Detroit, Houston, Los Angeles, Miami, Minneapolis/St. Paul, San Diego, the San Francisco Bay area, and the greater Washington, D.C. area.

3. The purpose of this declaration is to describe (1) the necessary conditions for Cbeyond to enter and compete in a new geographic area; and (2) Cbeyond’s requirements for a wholesale provider of loops to be considered a viable alternative to the incumbent LEC for such inputs.

4. Cbeyond is one of the few competitive carriers that is expanding its entry into new markets. In 2007, Cbeyond entered three new markets (San Diego, the San Francisco Bay

area, and Detroit), and in 2008, it entered two new markets (Minneapolis and Miami). Cbeyond has entered the greater Washington, D.C. area in 2009 and it plans on entering one additional market this year (Seattle). Cbeyond has developed sophisticated guidelines for determining whether it can achieve efficient competitive scale in a particular geographic market. Cbeyond applies these guidelines to all of the markets it analyzes for possible entry. Indeed, Cbeyond has determined that there are certain prerequisites for efficient market entry that apply to any geographic market. If these conditions are not present in a market, Cbeyond generally cannot efficiently compete in the market and Cbeyond will not enter the market. Accordingly, although Cbeyond does not provide service in Rhode Island, the market for which Verizon seeks forbearance from unbundling obligations in the instant proceeding, the observations discussed herein as to the prerequisites for competing in a geographic area apply just as much to Rhode Island as to any other geographic area.

5. In order for Cbeyond to enter a particular geographic market, it must incur substantial fixed costs. For example, Cbeyond must incur the costs associated with establishing collocations and costs associated with, among other things, acquiring DS1 aggregation routers, core routers, backbone routers, a voice switching platform, Internet gateways, and PSTN gateways. In addition, although Cbeyond offers services that are highly valued by its customers, the provision of these services does not yield sufficient revenue for Cbeyond to justify deploying its own loops. Accordingly, Cbeyond must acquire its DS1 loops from a wholesaler. Moreover, Cbeyond must incur certain market-specific costs to configure operational support systems (“OSS”) to purchase wholesale transmission facilities, even if Cbeyond already purchases loops from the same incumbent LEC in another geographic area. In addition, Cbeyond must incur other costs associated with modifications to its OSS when it enters a new geographic area,

including the costs associated with configuring Sales, Order Entry, Customer Relationship Management, telephone number porting, third party database (e.g., CNAM/LIDB, E911, Operator Service, Directory Listings) provisioning, number portability provisioning, circuit maintenance/repair, billing, reporting, and taxation systems.

6. In order to recover the sunk costs associated with market entry and ultimately achieve profitability in a geographic area, Cbeyond must be able to serve a sufficient number of end user customers in the area. Cbeyond has determined that, to achieve this objective using its current market entry model, Cbeyond's network footprint in a geographic area must contain at least 30,000 locations associated with businesses with between 5 and 249 employees. It is also important that each of Cbeyond's serving areas cover a large and contiguous area. This allows Cbeyond to implement its field-based and consultative sales model, serve customers with multiple locations and capture referrals from existing customers and partners. A market that has areas in which loops are unavailable or that cannot be efficiently obtained will significantly hinder Cbeyond's ability to retain its sales force and channel partner community and leverage its strong culture of referrals. In addition, Cbeyond must be able to serve all of the locations of a multi-location business customer. Indeed, Cbeyond serves more than one location for many of its customers. In order to reach these second and third locations of its business customers, capture the referrals and drive its market share, Cbeyond's network must reach well beyond the highest density locations in a geographic area. Generally, these factors mean that Cbeyond must serve an area that is at least the size of a Metropolitan Statistical Area (MSA). In several cases, Cbeyond's serving area within a defined market covers several contiguous MSAs. For example, Cbeyond's Atlanta market has a serving area that includes all or part of the Athens-Clarke County, GA; Atlanta-Sandy Springs-Marietta, GA; and Gainesville, GA Metropolitan Statistical

Areas. The Denver market has a serving area that includes the Boulder, CO; Colorado Springs, CO; Denver-Aurora-Broomfield, CO; Fort Collins-Loveland, CO; Greeley, CO and Pueblo, CO Metropolitan Statistical Areas.

7. Not only must Cbeyond ensure that its network has sufficient reach, it must also ensure that it can obtain DS1 loops from a wholesaler on efficient terms and conditions. In a geographic area where Cbeyond has well established operations (i.e., more than 5 years), Cbeyond provides service via DS1 loops to approximately 8,000 business locations. Cbeyond can only deliver service via wholesale loops to this number of customers in a market if the wholesale service provider has developed sufficient Operational Support Systems (OSS) such that Cbeyond is able to accomplish ordering, provisioning, monitoring, maintenance, repair and billing functions in a timely and cost effective manner. If Cbeyond cannot perform any one of these functions in such a manner, its costs of providing service will likely exceed efficient levels and its reputation for good customer service will be harmed. These harms can have a seriously detrimental effect on Cbeyond's ability to compete. This is true for any market in which Cbeyond operates.

8. Moreover, the transaction costs associated with establishing and maintaining an efficient wholesale loop provisioning relationship are generally too high to enable Cbeyond to rely on more than a single wholesale loop provider in a geographic market. For example, reliance on multiple wholesale providers requires that Cbeyond hire additional staff to conduct reconciliation of multiple providers' bills and to create multiple capacity planning models to ensure that Cbeyond does not outstrip each provider's capacity. In addition, Cbeyond relies on third-party OSS vendors, including NeuStar, Wisor and TEOCO, to e-bond with the pre-ordering, ordering, provisioning, maintenance and billing platforms of the major incumbent


LECs. Even if there were non-incumbent LEC wholesale providers of loop facilities at DS1 and above capacities with the necessary market coverage (which there is not), it is unlikely that third-party OSS vendors will expand their platforms to permit Cbeyond to e-bond with the platforms of these smaller, non-incumbent LEC wholesale providers unless there is sufficient demand for the inputs sold by these providers. Instead, Cbeyond would need to hire additional employees and train them on how to develop, maintain, and support the application program interfaces (APIs) of these other wholesale providers assuming the wholesale providers even made APIs available. If they did not make APIs available, Cbeyond would have to perform manual provisioning and support activities which are extremely inefficient. This inefficiency would be a significant step backward for both Cbeyond and its small business customers, placing both at a distinct competitive disadvantage. Over the past 9 years, Cbeyond has made significant investments in its back-office systems and process automation. These investments have allowed Cbeyond to efficiently grow its business while providing its small business customers with significant productivity enhancing applications and tools. For example, Cbeyond has developed CbeyondOnline – a web-based portal that allows Cbeyond’s small business entrepreneurs to control and administer their services on-line at anytime of the day. Cbeyond also relies on software for proactive network monitoring of the incumbent LECs’ networks, but a third party will likely not develop such software to enable Cbeyond to proactively monitor the network of an alternative wholesale provider unless there is sufficient demand for the loops offered by the alternative provider. Cbeyond would therefore need to develop this software itself, a process that is slow and extremely costly.

9. In light of these factors, in order to be considered a viable alternative source of wholesale inputs for Cbeyond in a particular geographic market, a wholesale provider must, at

the very least, (1) offer wholesale loop facilities at DS1 and above capacities throughout the entire area in which Cbeyond provides service, which is usually an MSA or multiple contiguous MSAs; and (2) offer wholesale industry standard OSS, including e-bonding for pre-ordering, ordering, provisioning, maintenance and billing, so that vendor-specific system interfaces do not have to be developed, maintained or supported.

10. Cbeyond has searched for wholesalers that meet the requirements listed in paragraph 9. I am not aware of any non-incumbent LEC wholesaler that has either sufficiently extensive network coverage or sufficiently sophisticated and reliable wholesale OSS for Cbeyond to rely on it as a wholesale provider of loop facilities in any geographic market in which Cbeyond offers service.

I declare under penalty of perjury that the foregoing is true and correct to the best of my
information and belief.



Brooks Robinson

Dated: April 6, 2009

ATTACHMENT C:

**DECLARATION OF RANDY RITTER AND JILL FRITZ
ON BEHALF OF ONE COMMUNICATIONS CORP.**

**DECLARATION OF RANDY RITTER AND JILL FRITZ
ON BEHALF OF ONE COMMUNICATIONS CORP.**

1. My name is Randy Ritter and I am Vice President of Product Management and Mobile Services for One Communications Corp. ("One Communications"). I am responsible for the portfolio of products and services offered to new and existing business customers. I have over 18 years of experience in the telecommunications industry. Prior to joining One Communications, I worked for Sprint Nextel Corporation as its Vice President of Product Marketing, Vice President of Product Management, Assistant Vice President of International Marketing and held various other leadership positions within the company.

2. My name is Jill Fritz and I am Vice President of Customer Response Centers for One Communications. In this role, I am responsible for account management and customer retention. I have 17 years of experience in the telecommunications industry. Prior to joining one of One Communications' predecessor companies, Choice One Communications, in 2000, I worked for Verizon Wireless as its call center manager for the New York region.

3. One Communications, with corporate headquarters in Burlington, Massachusetts, and operational headquarters in Rochester, New York, is the largest privately-held, multi-regional integrated telecommunications provider in the United States. One Communications offers advanced telecommunications solutions (including data and Internet services, VoIP and voice services, and bundled services) via DS0, xDSL, DS1, and DS3 loops to approximately 160,000 small and mid-sized business customers in 18 states across the Northeast, Mid-Atlantic and Upper Midwest, plus Washington, D.C. Among the 18 states in which One Communications provides service is Rhode Island, one of the two geographic markets for which Verizon seeks forbearance from unbundling obligations before the Federal Communications Commission ("FCC").

4. The purpose of this declaration is to explain how One Communications' practices for acquiring and serving small and medium-sized business customers in Rhode Island, and the costs associated with these practices, are different than would be the case if One Communications were to seek to acquire and serve residential customers in Rhode Island. Although One Communications does not serve customers in the Virginia Beach Metropolitan Statistical Area ("MSA"), the other geographic market for which Verizon seeks forbearance from unbundling obligations before the FCC, the description of One Communications' practices for acquiring and serving business customers and the costs of such practices apply in all geographic areas in which One Communications provides service, and they would almost certainly apply to firms that serve business customers in the Virginia Beach MSA.

One Communications Undergoes A Different And More Expensive Process To Acquire Business Customers Than Would Be The Case If One Communications Were To Seek To Acquire Residential Customers In Rhode Island.

5. Providers of residential services generally mass market their services via media advertisements and mailings. In response to such marketing, prospective residential customers contact service providers via phone or the Internet to order service. Generally, these customers do not have any in-person contact with a sales representative of the service provider either during the pre-ordering, ordering, or installation processes, or indeed after the installation of service. Residential service providers may offer various service plans and bundles but they generally do not offer individualized solutions for their customers.

6. One Communications offers prospective business customers, even the smallest prospective business customers (e.g., those that subscribe only to basic telephone service), with a qualitatively different, far more customized experience during the customer acquisition and installation process. Rather than using mass marketing, One Communications employs a dedicated sales force to make on-site visits to potential customers. One Communications

employs several hundred sales representatives in its direct sales (acquisition and base sales) channel, which brings in the majority of One Communications' total sales revenue. Direct sales representatives conduct in-person consultations with prospective customers, including even the smallest business customers, to proactively determine their telecommunications needs and to design individualized solutions to meet those needs. One Communications' direct sales representatives receive ongoing training and support from the company's marketing and other departments to learn about new products and services and their uses, features, etc. In some instances, even for the smallest business customers, a sales engineer may accompany a direct sales representative to a customer's premises or participate in sales calls to develop a customized solution to meet the customer's needs.

7. One Communications also relies on third-party sales "agents" in its Business Partners channel to acquire new customers. Businesses employ such agents to find the service provider that best meets the businesses' telecommunications needs. Third-party agents have established relationships with the businesses that hire them and understand their telecommunications needs. Generally, third-party agents also have significant sales experience in the telecommunications industry, enabling them to offer solutions tailored to meet their businesses' needs. One Communications employs several hundred third-party agents in its Business Partners channel, which brings in a smaller percentage of One Communications' total sales revenues than the direct sales channel. As with the representatives in its direct sales channel, One Communications provides ongoing training and support to the third-party agents in its Business Partners channel.

8. This personalized approach to customer acquisition is extremely expensive. It requires that One Communications incur the costs associated with, among other things,

employing direct sales representatives and sales engineers, paying commissions to direct sales representatives and agents, and providing training and support to direct sales representatives and agents. These are costs that One Communications likely would not incur if it were seeking to acquire residential customers in Rhode Island. As a result, One Communications incurs greater costs per customer in using a personalized approach to acquire business customers than would be the case if it relied on mass marketing to acquire residential customers.

One Communications Provides More Proactive and Personalized Customer Care To Its Business Customers Than It Would If It Served Residential Customers In Rhode Island.

9. Service providers that serve residential subscribers typically do not provide proactive customer care. Instead, residential customers generally must report service problems to their providers after they occur. In addition, residential customers do not have customer service representatives dedicated to their accounts. Rather, residential customers typically reach a different call center representative each time they call a provider's 800 number for customer service.

10. By contrast, every One Communications customer with an average monthly bill of at least \$500 has a direct relationship with an account manager dedicated to its account. For each One Communications customer with an average monthly bill between \$500 and \$5,000, the account manager proactively contacts the customer at least four times annually. For each One Communications customer with an average monthly bill exceeding \$5,000, the account manager initiates at least six contacts per year, at least two of which are on-site visits. During these proactive contacts and visits, the account manager may, among other things, review the services provided and ask questions to evaluate the customer's ongoing telecommunications needs. It is important to note that One Communications provides these levels of customer service for each location of a business customer that meets the average monthly bill threshold, even those

locations to which One Communications provides only basic telephone service. For example, if One Communications provides only basic telephone service (e.g., three telephone lines) to each of a customer's multiple locations and the customer's total monthly bill exceeds \$5,000, One Communications would provide each of those locations with the same level of customer service and support that One Communications provides to single location customers with more than \$5,000 per month in bills.

11. One Communications account managers undergo substantial training by in-house experts on billing and other areas of customer care, and they are retrained on these subjects at least once annually. One Communications account managers are also experienced. During their tenure, account managers deepen their knowledge about the products and services that One Communications offers, as well as their understanding of the technology One Communications relies upon to provide its services. One Communications must invest in training for its account managers and incur costs in providing them with substantial salary increases as their tenure grows. Consequently, One Communications account managers are able to provide customers with a continuously high level of care that far exceeds the customer care generally provided to residential customers. In providing such care to business customers, One Communications incurs costs that likely far exceed the costs of providing customer care to typical residential customers.

12. For customers with average monthly bills under \$500, One Communications relies on call center employees to provide customer care. But even such small businesses demand a level of customer service that is superior to that demanded by residential customers. One Communications provides training to its call center employees in all aspects of customer care and retrain them at least once annually. One Communications also employs sufficient staff

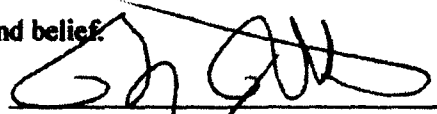
in its call centers to ensure average call answer speeds that, absent regulation,¹ are shorter than would be the case for providers of residential services. Where necessary, One Communications provides proactive customer care to its smallest business customers, even in the call center environment. For example, One Communications routinely surveys its customers after they have had an interaction with either the Customer Care or Repair departments in order to gauge their satisfaction. Any customer who is dissatisfied will receive a follow-up call from either their assigned account representative, or for those customers who bill less than \$500 per month, from One Communications' Customer Advocacy Group in Marlborough, Massachusetts. The purpose of this call is to determine what actions One Communications needs to take to remedy the situation and what proactive measures One Communications can take to prevent it from reoccurring. Residential customers almost never receive this level of service. Thus, in addition to providing a superior level of customer care to its smaller business customers, One Communications incurs higher costs to operate its call centers to serve its smallest business customers than it would if its call centers served residential customers in Rhode Island.

13. One Communications' customer service for all sizes of customers also differs from the customer service provided to residential customers in other respects as well. For example, even the smallest business customers require proactive notification of network maintenance. As a result, One Communications' account managers may spend several days proactively notifying thousands of One Communications' customers in certain areas of a scheduled service outage. One Communications would not perform this function for residential

¹ State regulatory commissions in some of the states in which One Communications operates require the incumbent local exchange carrier ("LEC") to meet certain service quality metrics for residential customers, including speed-of-answer metrics which measure how quickly the incumbent LEC answers incoming calls from customers to its call centers. Where this is the case, it is possible that the service quality incumbent LECs provide to residential customers resembles the level of service quality provided to business customers absent regulation.

customers. Moreover, One Communications would not incur the substantial cost associated with providing this level of service if it were serving residential customers in Rhode Island.

I declare under penalty of perjury that the foregoing is true and correct to the best of my information and belief.


Randy Ritter

Dated: 4/9/2009

I declare under penalty of perjury that the foregoing is true and correct to the best of my information and belief.

Jill Fritz
Jill Fritz

Dated: 4/8/2009

ATTACHMENT D:

**DECLARATION OF STEVE ANDERSON AND JASON MOCCA
ON BEHALF OF INTEGRA TELECOM, INC.**

**DECLARATION OF STEVE ANDERSON AND JASON MOCCA
ON BEHALF OF INTEGRA TELECOM, INC.**

1. My name is Steve Anderson, and I am Vice President of Operations, Oregon, for Integra Telecom, Inc. (“Integra”). In this role, I am responsible for Network Expansions/Updates/Maintenance, Service Assurance Center-Repair and Activations and Field Operations activities. I have been employed by Integra since 2000. I have more than 30 years of experience in the telecommunications industry, including 14 years in management roles with Pacific Telecom prior to joining Integra.

2. My name is Jason Mocca, and I am Vice President of Customer Care, Oregon, for Integra. In this role, I am responsible for managing customer service and new account openings in Oregon. I have been employed by Integra since 2005. Most recently, I served as Vice President of Customer Care for Integra Telecom of Colorado. I have 15 years of experience in the telecommunications industry, including 10 years in management roles for XO Communications and AT&T.

3. Integra is the fourth largest competitive local exchange carrier (“CLEC”) in the United States. It provides voice, data, and Internet communications to thousands of business and carrier customers in 11 Western states, including Integra’s largest market, Oregon. Integra does not offer its services to residential customers. Integra owns and operates a 2,200 route mile metropolitan area network, a tier-one Internet and data network, and a 4,700-mile long haul network.

4. The purpose of this declaration is to explain how Integra’s practices for acquiring and serving business customers, and the costs associated with these practices, are different than would be the case if Integra were to seek to acquire and serve residential customers. Although Integra does not serve customers in Rhode Island, the market in which Verizon seeks

forbearance, the description of Integra's practices for acquiring and serving business customers and the costs of such practices apply in all geographic areas in which Integra offers service, and they would almost certainly apply to firms that serve business customers in Rhode Island.

Integra Undergoes A Different And More Expensive Process To Acquire Business Customers Than Would Be The Case If Integra Were To Seek To Acquire Residential Customers.

5. Service providers targeting residential customers generally rely on mass marketing via media advertisements and mailings. In response to such marketing, prospective residential customers contact service providers via phone or the Internet to order service. Typically, such customers have no face-to-face contact with a representative of the service provider either during the pre-ordering, ordering, or installation processes, or indeed after the installation of service. Residential service providers may offer various service plans and bundles but they generally do not offer customized solutions for their customers.

6. Integra provides prospective business customers, even its smallest prospective business customers (e.g., those that subscribe only to basic telephone service, with a materially different, far more personalized experience during the customer acquisition and installation process. Instead of relying on mass marketing, Integra employs a dedicated sales force to make on-site visits to potential customers. Integra employs hundreds of sales representatives in its direct sales channel, which brings in a majority of Integra's total sales revenue. Direct sales representatives conduct face-to-face consultations with prospective customers, even the smallest business customers, to proactively determine their telecommunications needs and to design customized solutions to meet those needs. Direct sales representatives receive ongoing training and support from Integra's marketing and other departments to learn about new products and services and their uses, features, etc. In some cases, even for the smallest business customers, a

sales engineer may accompany a direct sales representative to a customer's premises or participate in sales calls to create an individualized solution to fulfill the customer's needs.

7. Integra also relies on third-party sales "agents" to acquire new customers.

Businesses employ such agents to find the service provider that best meets the businesses' telecommunications needs. Agents have established relationships with the businesses that hire them and understand their telecommunications needs. Typically, agents also have substantial sales experience in the telecommunications industry, enabling them to offer solutions tailored to meet their businesses' needs. As with its direct sales force, Integra provides ongoing training and support to its agents.

8. Integra's personalized approach to customer acquisition is very expensive. It requires that Integra incur the costs associated with, among other things, employing direct sales representatives and sales engineers, paying commissions to direct sales representatives and agents, and providing training and support to direct sales representatives and agents. These are costs that Integra likely would not incur if it were seeking to acquire residential customers. Accordingly, Integra incurs greater costs per customer in using a personalized approach to acquire business customers than would be the case if it relied on mass marketing to acquire residential customers.

Integra Provides More Proactive and Personalized Customer Care To Its Business Customers Than It Would If It Served Residential Customers.

9. Service providers that serve residential subscribers generally do not provide proactive customer care. That is, residential customers must report service problems to their providers after they occur. In addition, residential customers do not have customer service representatives dedicated to their accounts. Instead, residential customers typically reach a

different call center representative each time they call a provider's 800 number for customer service.

10. In contrast, every Integra customer with an average monthly bill of at least \$500 has a direct relationship with an account manager dedicated to its account. For each Integra customer with an average monthly bill between \$500 and \$2,000, the account manager proactively contacts the customer at least two times per year. For each Integra customer with an average monthly bill exceeding \$2,000, the account manager initiates at least four contacts and at least two on-site visits per year. During these proactive contacts and visits, the account manager may, among other things, review the services provided and ask questions to evaluate the customer's ongoing telecommunications needs. It is important to note that Integra provides these levels of service for each location of a business customer that meets the average monthly bill threshold, even those locations to which Integra provides only basic telephone service. For example, if Integra provides only basic telephone service (e.g., three telephone lines) to each of a customer's multiple locations and the customer's total monthly bill exceeds \$2,000, Integra would provide each of those locations with the same level of customer service and support that Integra provides to single location customers with more than \$2,000 per month in bills.

11. Integra account managers receive substantial training by in-house experts on billing and other areas of customer care, and they are retrained on these subjects at least once per year. Integra account managers also have long tenure. During their tenure, account managers deepen their knowledge about the products and services offered by Integra and their understanding of the technology Integra utilizes to provide its services. Integra must incur the costs of training its account managers and providing them with significant salary increases as their tenure grows. As a result, Integra's account managers are able to provide customers an

ongoing level of service that far exceeds the customer care provided to customers of typical residential service. In so doing, Integra incurs costs in providing customer care to business customers that likely far exceed the costs of providing customer care to typical residential customers.

12. For customers with average monthly bills under \$500, Integra relies on call center employees to provide customer care. But even such small businesses demand a level of customer care that is superior to the level demanded by residential customers. Integra provides training to its call center employees in all aspects of customer care and retrain them at least once per year. Integra employs enough staff in its call centers to ensure average call answer speeds (less than 10 to 20 seconds) that are faster than would be the case for residential customers. In fact, unlike most call centers, including those that serve residential customers, Integra's call centers do not rely on automated Interactive Voice Response systems, which require customers to press or say options in order to be routed to the appropriate person or department. Where necessary, Integra provides personalized, proactive customer care to its smallest business customers, even in the call center environment. For example, in Oregon, Integra assigns a subset of its call center employees directly to customer accounts under \$500 in certain circumstances, such as when a customer has been experiencing ongoing service problems. Residential customers almost never receive this level of service. In addition to providing a superior level of customer care and maintenance to its smaller business customers, Integra incurs higher costs to operate its call centers to serve its smallest business customers than it would if its call centers served residential customers.

13. Integra's customer service for all sizes of customers also differs from the customer service provided to residential customers in other respects as well. For instance, even

the smallest business customers require proactive notification of network maintenance. As a result, Integra's customer care employees in Oregon, for example, may have to spend a total of four to five days proactively notifying thousands of Integra customers in certain areas of a scheduled service outage. Integra would not perform this function for residential customers. Moreover, Integra would not incur the substantial cost associated with providing this level of service if it were serving residential customers.

I declare under penalty of perjury that the foregoing is true and correct to the best of my information and belief.

Steve Anderson
Steve Anderson

Dated: 1/9/2009

I declare under penalty of perjury that the foregoing is true and correct to the best of my information and belief.



Jason Mocca

Dated: 4/9/2009

ATTACHMENT E:

**DECLARATION OF DAVID CHARBONNEAU AND AARON BRUNEAU
ON BEHALF OF ONE COMMUNICATIONS CORP.**

**DECLARATION OF DAVID CHARBONNEAU AND AARON BRUNEAU
ON BEHALF OF ONE COMMUNICATIONS CORP.**

1. My name is David Charbonneau, and I am Vice President of Operations for One Communications Corp. ("One Communications"). In this role, I am responsible for Field Ops-Deployment, Logistics, Network Operations and Datacenter Operations. I have been working in the network and communications field for over 27 years and in telecommunications for the last 10 years. While I have worked at One Communications and CTC Communications, one of its predecessor companies, I have held various Director and Vice President level positions in the Engineering, Service Delivery and Operational departments. Prior to joining CTC Communications, I worked at Digital Equipment Corporation, managing its world-wide enterprise network.

2. My name is Aaron Bruneau and I am Vice President of Engineering for One Communications. In this role, I am responsible for leading a team of engineers in the design, implementation, and management of the telecommunications networks that provide services to One Communications' customers. These services include voice, Internet, and private data services, as well as hosted voicemail and collocation services. The One Communications networks include over 600 unique ILEC collocation facilities and more than 25 Points of Presence. Among the technologies I am responsible for are fiber optic transmission systems, DSL, ATM, IP, TDM switching, and VOIP. I also manage the capital and expense budgets for the Engineering Department. I have more than 17 years of experience in the network and computer industry, which includes computer programming, local and wide area networking, data and voice communications services design and implementation, and computer repair. I have expertise in designing and supporting communications networks utilizing a variety of

communications technologies, including SONET, DWDM, IP, VOIP, ATM, Frame Relay, ISDN, and Circuit Switching. Prior to joining One Communications, I served as an independent consultant to network providers and large enterprise clients. I was also a sales engineer and a senior network analyst at two Boston-area companies. I entered into the IT industry while serving as Information Systems Analyst for the United States Army.

3. One Communications, with corporate headquarters in Burlington, Massachusetts, and operational headquarters in Rochester, New York, is the largest privately-held, multi-regional integrated telecommunications provider in the United States. One Communications offers advanced telecommunications solutions (including data and Internet services, VOIP and voice services, and bundled services) via DS0, xDSL, DS1, and DS3 loops to approximately 160,000 small and mid-sized business customers in 18 states across the Northeast, Mid-Atlantic and Upper Midwest, plus Washington, D.C. Among the 18 states in which One Communications provides service is Rhode Island, one of the two geographic markets for which Verizon seeks forbearance from unbundling obligations before the Federal Communications Commission.

4. The purpose of this declaration is to describe the differences in terms of the allocation of shared network capacity, customer care, and the need to serve multi-location customers between serving business customers and residential customers.

One Communications Must Allocate More Shared Network Capacity And Incur Higher Costs Per Business Line In Order To Serve Business Customers Than Would Be The Case If One Communications Served Residential Customers In Rhode Island.

5. Each telecommunications network is designed so that the shared portions of the network (e.g., common transport, switches, routers, and so on) are properly allocated for the types of customers served by the network. Efficient use of network resources requires that the shared network facilities are “oversubscribed.” Because all subscribers virtually never use the network at the same time, it would be inefficient to set aside shared network capacity on a one-

to-one basis with every subscriber. Instead, network engineers determine the highest percentage of subscribers that might reasonably be expected to use the network at the peak usage time. They then allocate shared network capacity in accordance with this level of peak usage as well as with certain other factors.

6. Since One Communications only serves business customers in Rhode Island, it has allocated the shared portions of its telephone and data networks to accommodate the usage levels and service quality demands of such customers. This has caused One Communications to design its network differently than it would have if it served residential customers. At peak usage times (i.e., during business hours), a higher percentage of business customers uses telephone service and for longer average call durations than is the case with residential customers during the peak usage time for residential service (i.e., during evenings and on weekends). As a result, One Communications must allocate more shared network capacity per telephone line than it would if it were providing telephone service to residential customers. For example, One Communications must allocate more capacity per telephone line for switching, transport trunks and shared electronics than it would if it provided residential telephone service in Rhode Island. This quantitative difference in the allocation of shared network capacity as compared to residential telephone lines is true for all of One Communications' telephone lines, regardless of whether the customer subscribes to only three stand-alone telephone lines or very complex, high capacity services.

7. Similarly, at peak usage times, business customers use more data lines simultaneously, and use more bandwidth on average, than is the case with residential customers during residential data peak usage times. As a result, One Communications must allocate more capacity on the shared portions of its data network for each end-user data connection than it

would if it were providing data service of equivalent bandwidth to residential customers. For example, One Communications must allocate greater burst capacity in order to prevent its customers from exceeding their guaranteed bandwidth capacity during peak usage times.

8. In addition to accommodating business customers' higher peak usage, One Communications must also account for business customers' demand for greater reliability and lower tolerance for service outages than is the case with residential customers. Indeed, this demand for higher service reliability is true of even the smallest business customers One Communications serves. Therefore, One Communications builds connection path redundancy for protection switching and reroute capability in the event of any hardware or logical failures into every customer circuit. One Communications is also required to provide Service Level Agreements by product, guaranteeing service uptime and availability to its business customers. Oversight and accountability is also demanded at a much higher degree as One Communications supplies both voice and low-capacity data services to customers in the public safety and medical fields, along with business customers that run critical business applications over One Communications' network on a 24x7x365 basis. Accordingly, One Communications must allocate *even more* capacity per line in the shared portions of its network than would otherwise be the case to ensure that it can provide these customers with the highest level of reliability.

9. The higher allocation of shared network capacity to each business subscriber causes One Communications to incur higher average costs than it would if it were to provide the same telephone service or a data connection of the same capacity to a residential customer. That is, One Communications must allocate a higher portion of its fixed network costs (e.g., those associated with switches and routers) to each subscriber, and it incurs higher usage-sensitive

network costs (e.g., those associated with usage-sensitive transport fees paid to other carriers) than would be the case if One Communications served residential customers in Rhode Island.

One Communications Must Provide Superior And More Expensive Customer Care To Its Business Customers Than It Would If It Served Residential Customers In Rhode Island.

10. Even the smallest business customers generally demand that service problems be detected and resolved more rapidly and efficiently than residential customers. Accordingly, One Communications provides superior and more costly customer care to its business customers than it would if it served residential customers in Rhode Island.

11. There are several ways in which One Communications' customer care for business service differs substantially in terms of customer experience and in terms of One Communications' costs as compared to the customer service generally demanded by and provided to residential customers. To begin with, One Communications runs and staffs its two Network Operations Centers ("NOCs"), primary and secondary centers, 24 hours per day, 7 days per week, and 365 days a year in order to continuously monitor its network and proactively detect and resolve service problems before a customer experiences a problem at any time of day. These NOCs are continuously staffed with a Network Team that is made up of knowledgeable, highly trained and vendor-certified personnel with over 75 years of combined industry experience.

12. Within its NOCs, One Communications uses state-of-the-art monitoring technology to continuously monitor all telemetry and alarming across the network. Such technology provides a central view and continually updated status of over 10,000 network elements. Using real-time alarm telemetry, the NOCs can respond immediately to any situation, thereby minimizing the impact on its customers and maximizing the speed with which their service is restored.

13. One Communications employs certain operating practices to reduce both the impact of repairs on its customers and the length of time it takes to complete repairs. For example, One Communications adheres to stringent “safe time” schedules, whereby repairs are performed overnight (generally between 11 pm and 6 am EST). One Communications performs this service for all of its business customers, including its smallest business customers.

14. One Communications also uses the ISO Telecommunications Standard model for Fault, Configuration, Accounting, Performance and Security (FCAPS) capabilities across its footprint to ensure that it maintains the lowest mean-time-to-repair performance in the industry. In addition, One Communications employs enough staff in its NOCs so that it maintains a very low mean time to repair, historically less than 2 hours across its backbone devices.

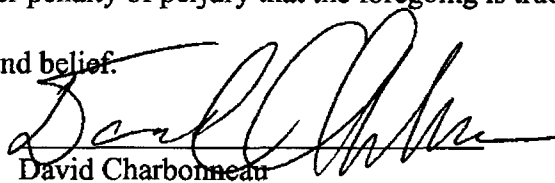
15. One Communications has designed its network to conduct remote testing, monitoring and troubleshooting for all of its business customers, including its smallest business customers. Remote testing reduces dependence on service dispatches or “truck rolls” and thereby reduces repair time.

16. In sharp contrast to these practices, telephone service providers that serve residential customers generally require that the residential customers themselves identify service problems and initiate contact with their service provider after the customers have experienced the problems. In addition, residential customers are often only able to initiate a service problem inquiry after experiencing hold times that are far longer than those One Communications’ customers experience, and, in most cases, residential customers are directed to automated ticket handling via their providers’ on-line web portals. Once residential customers have reported service problems, they frequently must wait much longer than One Communications’ customers in order to have their service restored (i.e., they experience a much longer average mean-time-to-

repair). Moreover, carriers and cable operators providing service to residential customers generally do not conduct remote testing and must often dispatch a technician to a customer's home to fix a problem.


17. As with the higher allocation of shared network capacity, the higher level of customer service One Communications provides to business customers translates into higher costs. Among other things, One Communications must purchase real-time telemetry equipment to respond more quickly to service problems and hire more staff in its NOCs to ensure lower mean time to repair than would be the case if One Communications provided the same telephone and data services to residential customers. Accordingly, One Communications incurs higher costs to provide superior customer service to business customers than would be the case if One Communications provided telephone service or data service of equivalent capacity to residential customers in Rhode Island.

I declare under penalty of perjury that the foregoing is true and correct to the best of my information and belief.

 Dated: 4-2-09

David Charbonneau

I declare under penalty of perjury that the foregoing is true and correct to the best of my information and belief.


Aaron Bruneau

Dated: 4-2-09

ATTACHMENT F:

**DECLARATION OF DAVE BENNETT AND STEVE FISHER
ON BEHALF OF INTEGRA TELECOM, INC.**

**DECLARATION OF DAVE BENNETT AND STEVE FISHER
ON BEHALF OF INTEGRA TELECOM, INC.**

1. My name is Dave Bennett, and I am Senior Vice President of Network Engineering and Corporate Operations for Integra Telecom, Inc. ("Integra"). In this role, I am responsible for Engineering and Operation of Integra's long haul and local network systems, including network planning, capital budgeting, equipment and vendor selection, capacity planning and network management. I have over 30 years of experience in the telecommunications industry. Prior to joining Integra in 1999, I was Regional Manager of Operations with CenturyTel, Inc., where I was responsible for overseeing operations for over 400,000 access lines in ten states. Prior to that, I was a Regional Manager of Engineering with CenturyTel. Before joining CenturyTel, I was the Corporate Manager of Engineering with Pacific Telecom, Inc.

2. My name is Stephen Fisher, and I am Vice President of Corporate Operations for Integra. In this role, I am responsible for managing Integra's long haul fiber network and network operations, including maintenance, repair and surveillance. Prior to joining Integra, in February, 2000, I was a telecommunications engineer and manager of Information Technology Services for the University of San Francisco.

3. Integra is the fourth largest competitive local exchange carrier in the United States. It provides voice, data, and Internet communications to thousands of business and carrier customers in 11 Western states. Although Integra does not offer these services to residential customers, Integra is the parent of Scott-Rice Telephone Company, a 63-year old telecommunications service provider in Scott and Rice Counties, Minnesota, that provides telecommunications services primarily to residential customers. Integra owns and operates a

2,200 route mile network in 12 metropolitan areas, an Internet and data network, and a 4,700-mile long haul network.

4. The purpose of this declaration is to describe the costs associated with providing service to business customers that Integra incurs above and beyond those it would incur if it were serving only residential customers.

Integra Must Allocate More Shared Network Capacity And Incur Higher Costs Per Business Line In Order To Serve Business Customers Than Would Be The Case If Integra Served Residential Customers.

5. Each telecommunications network is designed so that the shared portions of the network (e.g., common transport, switches, routers, and so on) are properly allocated for the types of customers served by the network. Efficient use of network resources requires that the shared network facilities are sized and engineered for the type of customers to be served. A network designed exclusively for business customers would provide service to a substantially greater number of residential subscribers, due to the different peak usage and traffic patterns.

6. Since Integra focuses on business customers, it has engineered its telephone and data networks to accommodate the higher usage levels and service quality demands of such business customers. At peak usage times (i.e., during business hours), a higher percentage of business customers use telephone service and for longer average call durations than is the case with residential customers. As a result, Integra engineers a greater level of network capacity per customer than it would if its network were engineered for providing service principally to residential customers. For example, Integra engineers more capacity per customer for switching, transport, trunking and shared electronics than it would for services to residential subscribers. This network engineering practice is consistent across Integra's customers, from those purchasing a single line to those purchasing very complex, high capacity services.

For example, Integra must also engineer greater burst capacity in the network to prevent its customers from exceeding capacity during peak usage times.

7. In addition to accommodating business customers' higher peak usage, Integra must also account for business customers' demand for greater reliability and lower tolerance for service outages than is the case with residential customers. Indeed, this demand for higher service reliability is true of even the smallest business customers Integra serves. Accordingly, Integra must engineer higher levels of redundancy in its network to ensure that it can provide business customers with the highest level of reliability.

8. The higher allocation of shared network capacity to each business customer causes Integra to incur higher average costs than it would if it were to provide the same services to a residential customer. That is, Integra must allocate a higher portion of its fixed network costs (e.g., those associated with switches and routers) to each customer, and it incurs higher usage-sensitive network costs (e.g., those associated with usage-sensitive fees paid to other carriers) than would be the case if Integra primarily served residential customers.

Integra Must Provide Superior And More Expensive Customer Care To Its Business Customers Than It Would For Residential Customers.

9. Even the smallest business customers generally demand that service problems be detected and resolved more rapidly and efficiently than residential customers. Accordingly, Integra provides superior and more costly customer care to its business customers than it would for residential customers.

10. There are three ways in which Integra's customer care for business service differs substantially in terms of customer experience and in terms of Integra's costs as compared to the customer service generally demanded by and provided to residential customers. First, Integra runs dedicated local repair and care centers in each of its operating markets in addition to

running dual Network Operations Centers (“NOCs”) 24 hours per day, 7 days per week, in order to continuously monitor its network and proactively detect and resolve service problems before the customer experiences the problem at any time of day. Integra performs this service for all of its business customers, including its smallest business customers. Integra has dedicated resources to ensure its business customers experience short answer times, hold times and repair intervals when they seek support.

11. By contrast, telephone service providers that serve residential customers generally require that the residential customers themselves identify service problems and initiate contact with their service provider after the customers have experienced the problems. In addition, residential customers are often only able to initiate a service problem inquiry after experiencing longer hold times and interacting with automated attendants that are far less responsive than Integra’s live customer service representatives.

12. Second, Integra has designed its network to conduct remote testing, monitoring and troubleshooting for all of its customers, including its smallest business customers. Remote testing reduces repair time. By contrast, carriers and cable operators providing service to residential customers generally do not conduct the same level of remote testing and must often dispatch a technician to a customer’s home to fix a problem.

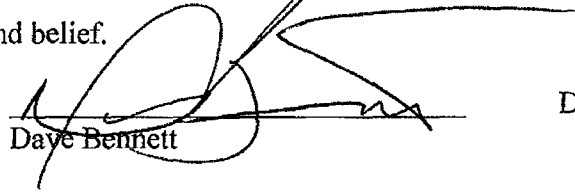
13. Third, Integra proactively may provide temporary relief to business customers experiencing service problems. For instance, Integra may provide temporary call routing and backup services to a small business customer experiencing problems with its voice or data services. Carriers that provide residential service generally do not provide temporary backup service to customers experiencing service outages.

14. As with the higher allocation of shared network capacity, the higher level of customer service Integra provides to business customers translates into higher costs. Integra must employ more engineers, customer service representatives and technicians to design, monitor and repair service and provide the higher level of service that its business customers require than would be the case if Integra provided the same telephone and data services to residential subscribers. Moreover, Integra must incur the costs of providing temporary backup service to its business customers that it likely would not provide to residential customers. Accordingly, Integra incurs higher costs to provide superior customer service to business customers than would be the case if Integra provided telephone service or data service of equivalent capacity to residential customers.

The Provision of Basic Telephone And Relatively Low Capacity Data Services To Multi-Location Business Customers Increases The Complexity And Cost Of Providing Such Services As Compared To Providing Such Services To Residential Customers.

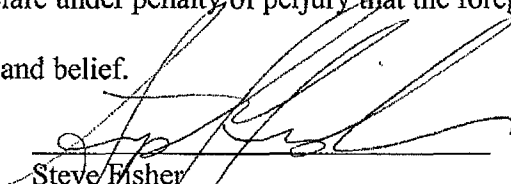
15. Integra often provides only two or three basic telephone lines to a business customer location. Many of these customer locations are part of multi-location businesses. Where this is the case, Integra must not only provide service to each end-user location, but in many cases, it must connect all of the locations to each other. For example, for one of its customers in Portland, Integra provides an average of two voice lines and a DSL connection to each of the customer's many retail locations. In other cases, Integra must also connect the multiple retail locations to each other. As a result, the service Integra provides to this customer is substantially more complex and expensive on a per-connection basis than would be the case if Integra were to provide an individual residential customer with two telephone lines and an xDSL data connection.

I declare under penalty of perjury that the foregoing is true and correct to the best of my information and belief.


Dave Bennett

Dated: 3/31/09

I declare under penalty of perjury that the foregoing is true and correct to the best of my information and belief.


Steve Fisher

Dated: 3-31-09

ATTACHMENT G:

**DECLARATION OF DANIEL HEWITT
ON BEHALF OF ONE COMMUNICATIONS CORP.**

**DECLARATION OF DANIEL HEWITT
ON BEHALF OF ONE COMMUNICATIONS CORP.**

1. My name is Daniel Hewitt, and I am Director, Pricing Strategy & Product Operations for One Communications Corp. (“One Communications”). In this role, I am responsible for product financials associated with One Communications’ budgeted revenue plan, setting product pricing strategy, and managing and removing legacy services from One Communications’ systems. I have more than 11 years of experience in the telecommunications industry. Prior to joining One Communications in 2005, I spent more than 7 years successfully managing, marketing, and launching a wide range of business and residential telecommunications services.

2. One Communications, with corporate headquarters in Burlington, Massachusetts, and operational headquarters in Rochester, New York, is the largest privately-held, multi-regional integrated telecommunications provider in the United States. One Communications offers advanced telecommunications solutions (including data and Internet services, VoIP and voice services, and bundled services) via DS0, xDSL, DS1, and DS3 loops to approximately 160,000 small and mid-sized business customers in 18 states across the Northeast, Mid-Atlantic and Upper Midwest, plus Washington, D.C. Among the 18 states in which One Communications provides service is Rhode Island, one of the two geographic markets for which Verizon currently seeks forbearance from unbundling obligations before the Federal Communications Commission.

3. The purpose of this declaration is to describe the differences in the prices, features, and service characteristics of basic telephone and Internet access services marketed to residential customers and small business customers in Rhode Island. I have researched the offerings of the dominant incumbent LEC (Verizon) and the incumbent cable operator (Cox) in Rhode Island by, among other things, reviewing the latest product and pricing information

available on Verizon's and Cox's websites, to determine the differences in the prices and features of the basic telephone and broadband Internet access services they offer to residential subscribers and to small business subscribers. The results of this research, as well as a listing of the prices and features of basic telephone and broadband Internet access services offered by One Communications to its small business customers, is attached (*see* Attachment 1).

4. Based on my research, I have found that the features of the data services offered to small businesses are qualitatively different from the features of similar services offered to residential customers. Verizon and Cox each offer certain features in their small business Internet service plans that are not standard residential offerings and are not included in the price of their respective residential Internet service plans. For example, as indicated in Attachment 1, Verizon offers 15 domain name email boxes with its FiOS Internet service plans for businesses to enable business owners to advertise their businesses whenever they send email. In addition, Cox includes the ability to transfer a domain name in its business Internet service plans to enable business owners to continue using their existing domain names. Similarly, One Communications includes a new or transferred domain name with its DSL service. Neither Verizon nor Cox includes these features in its standard residential broadband service offerings. Verizon and Cox also offer certain *a la carte* features with their small business Internet service plans that are not generally offered with their respective residential Internet service plans. For example, both providers offer web hosting service for an additional fee to help small businesses establish a presence on the Internet without the expense of purchasing servers. This service is generally only marketed to business customers. Likewise, One Communications offers web hosting to its customers for an additional fee.

5. Service providers typically offer features with their Internet service for small businesses that are designed to increase efficiency, security, and reliability. For example, as shown in Attachment 1, Verizon includes unlimited remote dial-up access with its Internet service plans for businesses to enable business owners to work while traveling. Cox includes the option of having multiple static IP addresses in the price of its business Internet plans to give businesses permanent addresses on the Internet. Verizon also offers Secure Mail, which allows business users to send unlimited encrypted email. In another example, One Communications offers its DSL service customers *a la carte* features such as One Communications Managed Firewall for increased protection against security threats and One Communications IPSec Virtual Private Network, which enables business users to share sensitive information over a secure digital network without maintaining their own equipment. By contrast, service providers tend to offer residential customers features that enable them to exchange personal email, surf the Internet, and view and share photos, videos, games, music, and other entertainment content. For example, Verizon includes Verizon Online Entertainment, which provides free access to movie previews, news, sports, and games, in its residential Internet service plans, and Cox offers Cox Rhapsody music service and myNOGGIN children's educational service with its residential Internet service plans. Cox also includes 5 GB of Media Store and Share in the price of some of its home Internet service plans to enable users to save and share photos, music, videos, and other files. In light of these kinds of differences, it is highly unlikely that small business customers would switch to residential Internet services if providers increased the price of small business Internet services.

6. There are also certain voice service features that are demanded by business customers but are not typically demanded by residential customers. The voice service offerings

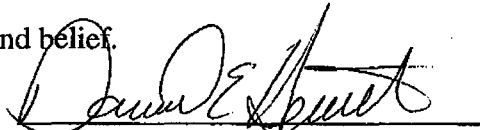
available to small business customers and residential customers reflect this difference in demand. For example, Verizon and Cox offer hunting exclusively to business customers. One Communications also offers this feature. Other calling features are marketed primarily to business customers. For instance, while Cox offers call transfer and remote call forwarding to both residential and business customers, it markets these features on its website only to business customers. Small businesses demand features such as hunting, call transfer, and remote call forwarding because they are essential to communicating effectively and efficiently with customers, suppliers, etc. For instance, hunting allows incoming calls to rollover to the next available line in a group when the first line is busy, and remote call forwarding allows all incoming calls to be forwarded to another terminating telephone number. Without these features, small businesses could miss calls from existing or prospective clients. As a result of the differences in the voice service offerings available to residential and business customers, and the differences in the way such services are marketed, it is unlikely that small business customers would switch to residential voice services if providers were to increase the prices of small business voice services.

7. Service providers typically provide higher levels of customer service to small business customers than residential customers. For example, One Communications provides a written 90-day service guarantee with its DSL service for business customers. I am not aware of any evidence that Verizon or Cox markets this customer service feature to residential customers.

8. There are also significant differences in the prices that service providers charge for services offered to small business and residential customers. For instance, as Attachment 1 indicates, Verizon charges \$44.99 (month-to-month) for its Verizon Freedom Value residential phone plan, which includes unlimited local, toll, and long distance calling and excludes calling

features, but Verizon charges \$65.95 (month-to-month) for its Freedom for Business All phone plan, which also includes unlimited local, toll, and long distance calling and excludes calling features. Cox charges \$39.95 per month for its Unlimited Solutions plan for residential customers, which includes unlimited local and long distance and numerous calling features, but Cox charges business customers \$53.00 per month for its Cox Digital Telephone Unlimited Calling service, which includes unlimited local, toll, and long distance and no calling features. Cox charges business customers an additional \$20.00 for a features package consisting of many of the same calling features as those included in the \$39.95 Unlimited Solutions plan for home phone users. In another example, Cox charges \$53.99 per month for its home Internet service with download speeds of up to 20 Mbps and \$99.98 per month for its business Internet service with the same maximum download speeds. And while Verizon's High Speed Internet service (dynamic IP) with download speeds of up to 1.0 Mbps costs the same for residential and business customers (\$19.99 per month), Verizon charges residential and business customers \$39.99 and \$99.99, respectively, for the modem required to use that service.

I declare under penalty of perjury that the foregoing is true and correct to the best of my information and belief.


Daniel Hewitt

Dated: 4/08/09

Attachment 1: Comparison of Basic Telephone and Internet Access Services Offered to Residential and Small Business Customers in Rhode Island

	Residential Phone	Small Business Phone	Residential Internet	Small Business Internet
Verizon	<p><i>Service:</i> Verizon Freedom Value (unlimited local, toll, & LD)¹ <i>Price:</i> \$44.99 (month-to-month)</p> <p><i>Service:</i> Verizon Freedom Essentials (unlimited local, toll, & LD) <i>Price:</i> \$49.99 (month-to-month)</p> <p><i>Among the Features Included in Each Plan Are:</i> Freedom Value Plan: None</p> <p>Freedom Essential Plan: Home Voice Mail; Caller ID; Call Waiting</p> <p><i>Among the A La Carte Features Available to Freedom Value and Freedom Essentials Subscribers at an Additional Cost Are:</i>² *69; Speed Dialing; Three-Way Calling; Distinctive Rings; Busy Redial; Anonymous Call Rejection; Call Forwarding; Call Forwarding - Busy Line; Call Forwarding - Don’t Answer; Talking Call Waiting</p>	<p><i>Service:</i> Freedom for Business All (unlimited local, toll, & LD)³ <i>Price:</i>⁴ \$65.95 (month-to-month); \$59.95 per month with 1-year contract</p> <p><i>Features Included in the Freedom for Business All Plan Are:</i>⁵ None</p> <p><i>Features Packages Available to Freedom for Business All Subscribers at an Additional Cost Are:</i> Freedom Package 1 (\$9.00)⁶—Call Forwarding; Call Waiting; 3-Way Calling⁷</p> <p>Freedom Package 2 (\$10.00)⁸—Caller ID Name and Number; Voice Messaging⁹</p> <p><i>Among the A La Carte Features Available to Freedom for Business All Subscribers at an Additional Cost Are:</i>¹⁰ *69; Speed Dialing 8; Three-Way Calling; Distinctive Ring 1 Number; Distinctive Ring 2 Number; Busy Redial; Speed Dialing 30; Anonymous Call Rejection; Call Forwarding; Call Forwarding - Busy; Call Forwarding - Don’t Answer; Call Forwarding - Busy/Don’t Answer; Caller ID Number Only Display; Caller ID with Name and Number Display; Call Waiting; Business Call Answering (voicemail); Line Hunt</p>	<p><i>Service:</i> High Speed Internet (HSI) and FiOS¹¹</p> <p><i>Available Plans (monthly prices for 1-year contract):</i> Dynamic IP- Up to 1.0 Mbps (HSI)..... \$19.99 Up to 3.0 Mbps (HSI)..... \$29.99 Up to 7.1 Mbps (HSI)..... \$42.99 Up to 10 Mbps (FiOS)..... \$49.99 Up to 20 Mbps (FiOS)..... \$59.99 Up to 50 Mbps (FiOS)..... \$144.95</p> <p>Modem is \$39.99 for 1.0 Mbps-7.1 Mbps plans. Modem is included with 10 Mbps-50 Mbps plans.</p> <p><i>Among the Features Included in Each Plan Are:</i>¹² Email Storage; Personal Webspace; 9 Email Accounts; Verizon Online Entertainment Content (access to free movie previews, news, sports, and games); 24/7 Live Tech Support</p> <p><i>Among the A La Carte Features Available to Subscribers of Each Plan at an Additional Cost Are:</i>¹³ Online Backup & Sharing; Verizon Internet Security Suite</p>	<p><i>Service:</i> High Speed Internet for Business (HSI)¹⁴ and FiOS¹⁵</p> <p><i>Available Plans (monthly prices):</i> Static IP- Up to 3.0 Mbps (HSI).....\$79.99 Up to 7.1 Mbps (HSI).....\$149.99 Up to 20 Mbps (FiOS).....\$114.99 Up to 50 Mbps (FiOS).....\$279.99</p> <p>Dynamic IP- Up to 1.0 Mbps Basic (HSI)..... \$19.99 Up to 3.0 Mbps Basic (HSI)..... \$39.99 Up to 7.1 Mbps Basic (HSI)..... \$39.99 Up to 3.0 Mbps Premium (HSI)..... \$59.99 Up to 7.1 Mbps Premium (HSI)..... \$79.99 Up to 10 Mbps (FiOS).....\$54.99 Up to 20 Mbps (FiOS).....\$74.99 Up to 50 Mbps (FiOS).....\$239.99</p> <p>Modem is free after rebate with all plans except for 1.0 Mbps Basic (HSI) Plan. Modem is \$99.99 for 1.0 Mbps Basic (HSI) Plan</p> <p><i>Among the Features Included in Each Type of Plan Are:</i> HSI Plans—20 MB of Web Space; Up to 9 Email Accounts; Unlimited Remote Dial-Up Access; Internet Security Suite; 24/7 Live Tech Support</p> <p>FiOS Plans—15 Domain Name Email Boxes; Unlimited Remote Dial-Up Access; Free Professional Installation; 24/7 Business-Grade Tech Support</p> <p><i>Among the A La Carte Features Available to Subscribers of Either Type of Plan at an Additional Cost Are:</i>¹⁶ Merchant Services (credit card processing); Web Hosting (Domain Registration and Domain-based Email); Secure Mail; Online Backup & Sharing; Verizon Internet Security Suite (FiOS)</p>

	Residential Phone	Small Business Phone	Residential Internet	Small Business Internet
Cox	<p><i>Service:</i> Unlimited Value Plan (unlimited local & LD)¹⁷ <i>Price:</i> \$29.95 (month-to-month)</p> <p><i>Features Included in the Unlimited Value Plan At No Additional Cost Are:</i> 900/976 Blocking; Per Call Caller ID Blocking; Caller ID Blocking - All Calls; LD Charge Block; Call Forwarding</p> <p><i>Features Available to Unlimited Value Plan Subscribers at an Additional Cost:</i> Voice Mail; Caller ID; Call Waiting; Caller ID of Call Waiting; Busy Line Redial; Call Return; Speed Call; Three-Way Calling; Selective Call Acceptance; Selective Call Forward; Selective Call Rejection</p> <p><i>Service:</i> Unlimited Solutions Plan (unlimited local & LD)¹⁸ <i>Price:</i> \$39.95 (month-to-month)</p> <p><i>Features Included in the Unlimited Solutions Plan At No Additional Cost Are:</i> 900/976 Blocking; Per Call Caller ID Blocking; Caller ID Blocking - All Calls; LD Charge Block; Call Forwarding; Voice Mail; Caller ID; Call Waiting; Caller ID of Call Waiting; Busy Line Redial; Call Return; Speed Call; Three-Way Calling; Selective Call Acceptance; Selective Call Forward; Selective Call Rejection</p>	<p><i>Service:</i> Cox Digital Telephone Unlimited Calling (unlimited local, toll, LD)¹⁹ <i>Price:</i>²⁰ \$53.00 per month (1-year contract); \$48.00 per month (3-year contract); \$43.00 per month (5-year contract)</p> <p><i>Features Package Available to Cox Digital Telephone Unlimited Calling Subscribers at an Additional Cost:</i>²¹ Business Solutions Package (\$20.00)²²—Call Forwarding; Three-Way Calling; Call Waiting; Speed Calling; Busy Line Redial; Call Transfer; Caller ID; Call Return; Selective Call Acceptance; Selective Call Forward; Selective Call Rejection; Call Forward Busy; Call Forward No Answer; Call Forwarding on Call Waiting</p> <p><i>Among the A La Carte Features Available to Cox Digital Telephone Unlimited Calling Subscribers at an Additional Cost Are:</i>²³ Anonymous Call Rejection; Block Call Return; Call Forwarding Remote Access; Per Call Caller ID Blocking; Caller ID Blocking All Calls; Call Hunting; Call Trace; Distinctive Ringing; Long Distance Alert; Last Number Redial; Priority Ringing; Privacy Control; Remote Call Forwarding</p>	<p><i>Service:</i> Cox Residential Internet</p> <p><i>Available Plans (monthly prices):</i>²⁴ Dynamic IP Value: Up to 1.5 Mbps..... \$28.99 Preferred: Up to 10 Mbps..... \$43.99 Premier: Up to 20 Mbps..... \$53.99</p> <p><i>Among the Features Included in Each Plan at No Additional Cost Are:</i>²⁵ Value—Security Suite; 7 Email Addresses; Spam Blocker; WebMail; 10 MB WebSpace; myNOGGIN Children’s Educational Service; Cox Rhapsody Free (access to free music)²⁶</p> <p>Preferred—Powerboost to 12.5 Mbps; Security Suite, 7 Email Addresses, Spam Blocker, WebMail, 5 GB Media Store and Share; 10 MB WebSpace; myNOGGIN Children’s Educational Service; Cox Rhapsody Free (access to free music)</p> <p>Premier—Powerboost to 25 Mbps; Security Suite, 10 Email Addresses, Spam Blocker, WebMail, 5 GB Media Store and Share; 10 MB WebSpace; myNOGGIN Children’s Educational Service; Cox Rhapsody Free (access to free music)</p>	<p><i>Service:</i> Cox Business Internet</p> <p><i>Available Plans (monthly prices):</i>²⁷ Static IP Up to 5 Mbps..... \$49.98 Up to 15 Mbps..... \$74.98 Up to 20 Mbps..... \$99.98</p> <p><i>Among the Features Included in Each Plan at No Additional Cost Are:</i>²⁸ Up to 8 IP addresses (Static or Dynamic); Anti-Virus; Spam Filtering; Domain Name Transfer; 10 Email Addresses; 100 MB Email Storage Space Per Address; Local Customer Care²⁹</p> <p><i>Among the A La Carte Features Available with Each Plan at an Additional Cost Are:</i> Web Hosting,³⁰ Domain Name Registration³¹</p>

	Residential Phone	Small Business Phone	Residential Internet	Small Business Internet
One Communications	Not Applicable	<p><i>Service:</i> One Communications Unlimited Business Line (Local, Toll & LD)³² <i>Price:</i> \$56.49 per month (1-year contract); \$54.49 per month (2-year contract); \$51.49 per month (3-year contract)</p> <p><i>Features Included in the One Communications Unlimited Business Line Plan Are:</i> None</p> <p><i>Features Package Available at an Additional Cost:</i> 8 Feature Bundle Package (\$8.00)—<i>Choose 8 of the Following Features:</i> Call Forward Busy; Call Forward Busy/No Answer; Call Forward No Answer; Call Return; Call Transfer; Call Waiting (and Cancel Call Waiting); Call ID Number; Continuous Redial; Distinctive Ring; Speed Dial 8; Speed Dial 30; Call Forward Remote Access; Three-Way Calling; Abbreviated Dial; Assume/Dial 9; Call Hold; Group Call Pickup</p> <p><i>Among the A La Carte Features Available at No Charge Are:</i> Account Codes (verified and non-verified); Anonymous Call Rejection; Caller ID Blocking; Hunting; Outbound Caller ID Name & Number</p> <p><i>Among the A La Carte Features Available at an Additional Cost Are:</i> Direct Connect Line (per line); Call Waiting with Caller ID (per line); Inbound Caller ID Name & Number (per line); Call Forward Busy; Call Forward Busy/No Answer; Call Forward No Answer; Call Forward Variable; Call Return; Call Transfer; Call Waiting (and Cancel Call Waiting); Call ID Number; Continuous Redial; Distinctive Ring; Speed Dial 8; Speed Dial 30; Call Forward Remote Access; Three-Way Calling</p>	Not Applicable	<p><i>Service:</i> One Communications DSL³³</p> <p><i>Available Plans (monthly prices):</i> Static IP- Up to 5.0 Mbps..... \$49.99 Up to 7.0 Mbps..... \$155.99</p> <p>Modem Included</p> <p><i>Among the Features Included in the Available Plans Are:</i> 1 Domain Name (new or transfer); 10 Email Addresses; Anti-Virus; Anti-Spam; 24/7 Repair; 24/7 Monitoring by Network Operations Center; One Communications Provided Customer Premises Equipment with Professional Installation; Written 90-day service guarantee</p> <p><i>Among the A La Carte Features Available at an Additional Cost Are:</i>³⁴ Web Hosting; Managed Firewall; IPSec Virtual Private Network</p>

Sources:

¹ See Verizon Unlimited Calling Plans, Zip Code 02903, <http://www22.verizon.com/Residential/Phone/Unlimited+Calling+Plans/Unlimited+Calling+Plans.htm> (last visited Mar. 31, 2009).

² See Verizon Calling Features, Zip Code 02903, <http://www22.verizon.com/Residential/Phone/Calling+Features/Calling+Features.htm> (last visited Mar. 31, 2009).

³ See Verizon Small Business - Freedom for Business, <http://smallbusiness.verizon.com/bundles/ffb.aspx> (last visited Apr. 1, 2009).

⁴ One Communications internal research.

⁵ See Verizon Small Business - Freedom for Business, <http://smallbusiness.verizon.com/bundles/ffb.aspx> (last visited Apr. 1, 2009).

⁶ See Verizon New England Inc. Rhode Island PUC Tariff No. 15 (Exchange and Network Services), Part M, § 1.15.8, Seventh Revision (Effective Date: June 1, 2008).

⁷ See Verizon - General Business FAQs, <https://www22.verizon.com/ForYourSmallBiz/Unprotected/Includes/Miscellaneous/faqs.html#q3> (last visited Mar. 31, 2009).

⁸ See Verizon New England Inc. Rhode Island PUC Tariff No. 15 (Exchange and Network Services), Part M, § 1.15.8, Seventh Revision (Effective Date: June 1, 2008).

⁹ See Verizon - General Business FAQs, <https://www22.verizon.com/ForYourSmallBiz/Unprotected/Includes/Miscellaneous/faqs.html#q3> (last visited Mar. 31, 2009).

¹⁰ One Communications Internal Research.

¹¹ See Verizon High Speed Internet Plans, <http://www22.verizon.com/Residential/HighSpeedInternet/Plans/Plans.htm> (last visited Mar. 31, 2009); *see also* FiOS Internet: Plans, <http://www22.verizon.com/Residential/FiOSInternet/Plans/Plans.htm> (last visited Mar. 31, 2009).

¹² See Verizon High Speed Internet: Features, <http://www22.verizon.com/Residential/HighSpeedInternet/Features/Features.htm> (last visited Mar. 31, 2009).

¹³ See Verizon Internet Essential Services, <http://www22.verizon.com/Residential/Services/Overview.htm> (last visited Apr. 3, 2009).

¹⁴ See Verizon High Speed Internet, <http://smallbusiness.verizon.com/products/internet/hsi.aspx#> (last visited Mar. 31, 2009).

¹⁵ See Verizon FiOS Internet, <http://smallbusiness.verizon.com/products/internet/fios.aspx#> (last visited Mar. 31, 2009).

¹⁶ See Verizon Small Business - Internet, <http://smallbusiness.verizon.com/products/internet/> (last visited Mar. 31, 2009).

¹⁷ See Cox Residential Phone Plans, <http://ww2.cox.com/residential/rhodeisland/phone/phone-plans.cox> (last visited Mar. 31, 2009).

¹⁸ *See id.*

¹⁹ See Cox Digital Telephone and Voice Mail, <http://ww2.cox.com/business/rhodeisland/voice/digital-telephone/features.cox> (last visited Mar. 31, 2009).

20 One Communications internal research.

21 See Cox Digital Telephone and Voice Mail, <http://ww2.cox.com/business/rhodeisland/voice/digital-telephone/features.cox> (last visited Mar. 31, 2009).

22 See Cox Rhode Island Telcom, L.L.C. Rhode Island PUC Tariff No. 1 § 3.1.2.2(e), Eighth Revised Page No. 55.1 (Effective Date: Nov. 17, 2003).

23 See Cox Digital Telephone and Voice Mail, <http://ww2.cox.com/business/rhodeisland/voice/digital-telephone/features.cox> (last visited Mar. 31, 2009).

24 See Cox Rhode Island Internet Pricing, <http://ww2.cox.com/residential/rhodeisland/internet/pricing.cox> (last visited Mar. 31, 2009).

25 See Cox Value Internet Overview, Compare All Features, <http://ww2.cox.com/residential/rhodeisland/internet/value-internet.cox> (last visited Mar. 31, 2009).

26 See Cox.net for Rhode Island: Entertainment, http://rhodeisland.cox.net/ci/entertainmentmusic/coxmain/entertainment/rhapsody/product_details.html (last visited Apr. 3, 2009).

27 See Cox Data & Internet Pricing & Plans, <http://ww2.cox.com/business/rhodeisland/data/pricing.cox> (last visited Mar. 31, 2009).

28 See Cox Business Internet Features, <http://ww2.cox.com/business/rhodeisland/data/business-internet/features.cox> (last visited Apr. 3, 2009).

29 See Cox Web Hosting Overview, <http://ww2.cox.com/business/rhodeisland/data/web-hosting.cox> (last visited Apr. 3, 2009).

30 See *id.*

31 See Cox Business Internet Features, <http://ww2.cox.com/business/rhodeisland/data/business-internet/features.cox> (last visited Apr. 3, 2009).

32 See One Communications: Long Distance Service, <http://www.onecommunications.com/solutionsdetailed.aspx?id=1898> (last visited Mar. 31, 2009).

33 See One Communications: DSL Service, <http://www.onecommunications.com/solutionsdetailed.aspx?id=1874> (last visited Mar. 31, 2009).

34 See One Communications: Enhanced Features, <http://www.onecommunications.com/solutionsdetailed.aspx?id=1890> (last visited Mar. 31, 2009).

ATTACHMENT H:

**DECLARATION OF TRENT ANDERSON
ON BEHALF OF INTEGRA TELECOM, INC.**

**DECLARATION OF TRENT ANDERSON
ON BEHALF OF INTEGRA TELECOM, INC.**

1. My name is Trent Anderson, and I am Vice President of Product Development and Marketing for Integra Telecom, Inc. ("Integra"). In this role, I am responsible for all product development, product management, sales channel support, and marketing systems support. I joined Integra in 1999 as the Vice President of Sales and Customer Service before becoming Senior Vice President of Integra Telecom of Oregon where I remained until taking the position of Chief Executive Officer at SkyRiver Communications. I returned to Integra in 2003 as the Chief Operating Officer before becoming Integra's Vice President of Product Marketing in 2007.

2. Integra is the fourth largest competitive local exchange carrier in the United States. It provides voice, data, and Internet communications to thousands of business and carrier customers in 11 Western states. Integra owns and operates a 2,200 route mile metropolitan area network, a tier-one Internet and data network, and a 4,700-mile long haul network.

3. The purpose of this declaration is to describe the differences in the prices, features, and service characteristics of voice and data services marketed to residential customers and small business customers in similar geographic areas. I have researched the voice and data service offerings of the dominant incumbent LEC (i.e., Qwest) and an incumbent cable operator (i.e., Cox) that provide service within Integra's operating territory. I conducted this research primarily by reviewing the most current product and pricing information available on these providers' websites to determine the differences in the prices and features of the basic telephone and broadband Internet access services they offer to residential subscribers and to small business subscribers. The results of this research, along with a listing of the prices and characteristics of basic telephone and broadband Internet access services offered by Integra to its small business customers, is attached (*see* Exhibit 1).

4. As the information set forth in Exhibit 1 demonstrates, I have found that the prices charged and the features offered by Qwest do not vary significantly (and in some cases are identical) from state to state across the six states studied (Arizona, Colorado, Minnesota, Oregon, Utah, and Washington). I have also found that the prices charged and the features offered by Integra do not vary significantly from state to state across the six states studied. Moreover, Cox's prices in Arizona resemble Qwest's and Integra's prices throughout the region.

5. Based on my research, I have found that the features of the voice and data services offered to small businesses are qualitatively different from the features of similar services offered to residential customers. For example, Qwest and Cox both offer some features in their Internet service plans for small businesses that are not standard and not included in the price of their home Internet service plans. Specifically, both providers include web hosting in their small business Internet service offerings listed in Exhibit 1 but not in their Internet service offerings to residential customers. Cox also includes domain name registration and multiple static IP addresses in its small business Internet service offering listed in Exhibit 1 but not in its home Internet service offering. Similarly, Integra offers web hosting, domain name registration and static IP addresses to its small business customers. When these additional features are added, the price for Integra's DSL service is comparable to the prices offered by Qwest and Cox for their small business Internet services. Service providers generally offer features with their small business Internet service that are designed to increase efficiency or productivity, such as Qwest's offering of Web Calendaring and Web Address Books with Microsoft Outlook synchronization. By contrast, service providers tend to offer residential customers features that can enable sharing of photos, videos, games, music, and other information. For instance, Cox offers 2 GB of storage per email address and 70-100 MB of "Personal WebSpace" with its home

Internet service. For these reasons, it is highly unlikely that small business customers will switch to residential Internet services if providers increase the prices of small business Internet services.

6. There are also unique features of voice services offered to small businesses such that it is highly unlikely that small business customers will switch to residential voice services if providers increase the prices of small business voice services. For instance, based on my research, Qwest and Cox both offer subscribers to their small business telephone service certain features that they do not offer to their residential telephone subscribers. These calling features include call hunting, call transfer, and remote call forwarding. Small businesses demand these features because they are essential to their businesses. For example, without call hunting, which enables calls to be automatically forwarded to an open line, or remote call forwarding, which enables calls to be forwarded to another internal number, a home phone number, or a cell phone number, small business owners could miss calls from existing or prospective customers.

7. Service providers generally offer higher levels of customer service to small business customers than residential customers. For example, according to its website, Cox offers subscribers to its home Internet service 24/7 technical support, but it provides at least some Cox Business Internet customers with local customer care, 24/7 network monitoring, and Service Level Agreements. Similarly, Integra provides 24/7 network monitoring for its Integra Basic Business Line service and it provides live, local customer service and 24/7 support for its Integra DSL service.

8. The differences in the levels of customer service and the features offered to residential and small business customers are reflected in the prices of these services. The price of each provider's telephone offering for small business customers in Exhibit 1 is markedly higher than that of each provider's home telephone service offering. For example, Qwest

charges \$69.99 per month for its Qwest Choice Business Plus (bundled with Qwest Choice Unlimited Long Distance) plan, whereas it charges \$42.99 per month for its Qwest Choice Home Plus (bundled with unlimited long distance calling) plan. The price of each provider's broadband Internet access service offering for small business customers in Exhibit 1 is also substantially higher than that of each provider's home Internet service offering. For instance, Qwest charges \$116.88 per month (with a 2-year service agreement) for its Qwest Office Plus service with a download speed of up to 20 Mbps, whereas it charges \$59.99 per month (with a qualifying home phone package) for its home Internet access service with the same maximum download speed. Likewise, Cox charges \$175.00 per month for its small business Internet access service with a download speed of up to 12 Mbps, but it charges only \$46.95 per month for its home Internet service with the same maximum download speed.

I declare under penalty of perjury that the foregoing is true and correct to the best of my information and belief.



Trent Anderson

Dated: 3/30/09

Exhibit 1: Comparison of Basic Telephone and Internet Access Services Offered to Residential and Small Business Customers¹

	Residential Phone	Small Business Phone	Residential Internet	Small Business Internet
Qwest	<p><i>Service:</i> Qwest Choice Home Plus (bundled with Qwest Unlimited Long Distance)²</p> <p><i>Monthly Price:</i> \$42.99</p> <p><i>Includes 10 of the Following Features:</i> Call Waiting; Caller ID; Call Forwarding; Last Call Return; Three-Way Calling; Call Rejection; Voice Mail; Custom Ringing; Qwest Line-Backer; Six Free Qwest 411 Directory Assistance Calls; Qwest Security Screen</p>	<p><i>Service:</i> Qwest Choice Business Plus with Qwest Choice Unlimited Long Distance³</p> <p><i>Monthly Price:</i> \$69.99</p> <p><i>Features Included Are:</i> Call Transfer; Hunting; Business Voice Mail (includes Extension Mailboxes and Listen Only Mailbox); Caller ID; Call Waiting; Call Waiting ID; Selective Call Waiting; Three-Way Calling; 411 Directory Assistance Call Allowance; Custom Ringing; Last Call Return; Remote Access Call Forwarding; Dial Lock</p>	<p><i>Service:</i> Qwest High-Speed Internet (bundled with qualifying home phone package)⁴</p> <p><i>Available Plans (monthly prices):</i> Up to 1.5 Mbps..... \$14.99 Up to 7 Mbps..... \$24.99 Up to 12 Mbps..... \$46.99 Up to 20 Mbps..... \$59.99</p> <p><i>Among the Features Included Are:</i> Email; Anti-Virus; Firewall; Data Back-up; 24/7 Technical Support</p>	<p><i>Service:</i> Qwest Office Plus (prices shown are for 2-year service agreement)⁵</p> <p><i>Available Plans (monthly prices):</i> Up to 256 Kbps..... \$42.50 Up to 1.5 Mbps..... \$53.13 Up to 7 Mbps..... \$69.06 Up to 12 Mbps..... \$90.31 Up to 20 Mbps..... \$116.88</p> <p><i>Among the Features Included Are:</i> 10 Email Accounts; Anti-Virus; Web Calendaring and Web Address Book with Outlook Synchronization; 25 MB of Web Hosting; 24/7 Priority Business Class Technical Support</p>
Cox	<p><i>Service:</i> Cox Digital Telephone⁶</p> <p><i>Monthly Price:</i> Unlimited Connection Plan \$39.95</p> <p><i>Features Included Are:</i> Unlimited Long Distance Calling; Call Waiting; Caller ID; Caller ID with Call Waiting; Call Forwarding - No Answer; Call Forwarding - Busy; Three-Way Calling; Busy-line Redial; Call Return; Long Distance Alert; Selective Call Acceptance; Selective Call Forwarding; Selective Call Rejection; Speed Call; Priority Ringing; Voice Mail</p>	<p><i>Service:</i> Cox Digital Telephone</p> <p><i>Monthly Price:</i>⁷ \$50.50</p> <p><i>Features Included Are:</i>⁸ Unlimited Long Distance Calling; Call Waiting; Caller ID; Three-Way Calling; Call Forwarding; Call Transfer</p> <p><i>Among the A La Carte Features Available at an Additional Cost Are:</i>⁹ Call Hunting; Remote Call Forwarding; Voice Mail</p>	<p><i>Service:</i> Cox High Speed Internet¹⁰</p> <p><i>Available Plans (monthly prices):</i> Up to 1.5 Mbps..... \$32.95 Up to 12 Mbps..... \$46.95 Up to 20 Mbps..... \$59.95</p> <p><i>Among the Features Included Are:</i> 7-10 Email Addresses with 2 GB of Storage per Address; Anti-Virus; Anti-Spyware; Firewall; 70-100 MB of Personal WebSpace; 24/7 Technical Support</p>	<p><i>Service:</i> Cox Business Internet¹¹</p> <p><i>Available Plans (monthly prices):</i>¹² Up to 2 Mbps..... \$55.00 Up to 4 Mbps..... \$75.00 Up to 7 Mbps..... \$65.00 Up to 10 Mbps..... \$130.00 Up to 12 Mbps..... \$175.00 Up to 15 Mbps..... \$215.00</p> <p><i>Among the Features Included Are:</i> Static IP Addresses; Anti-Virus/Anti-Spam; Domain Name Registration/Hosting; Web Hosting; Web Server Hosting; 10 Email Addresses; 1 GB Total Email Storage Space; On-site Installation; Service Level Agreement; Local Customer Care</p>
Integra	<p><i>Not Applicable</i></p>	<p><i>Service:</i> Integra Basic Business Line¹³</p> <p><i>Monthly Price:</i> \$49.95</p> <p><i>Features Included Are:</i> Unlimited Long Distance Calling; Call Transfer; Hunting; Unified Messaging; Call Forward Busy; Call Forward No Answer; Call Forwarding on Call Waiting; Call Return; Distinctive Ring; Remote Access Call Forwarding; Selective Call Accept/Reject; Selective Call Forwarding; 24/7 Network Monitoring</p>	<p><i>Not Applicable</i></p>	<p><i>Service:</i> Integra DSL¹⁴</p> <p><i>Available Plans (monthly prices):</i> Up to 1.5 Mbps..... \$34.95 Up to 3 Mbps..... \$44.95 Up to 6 Mbps..... \$54.95 Up to 10 Mbps..... \$64.95 Up to 20 Mbps..... \$74.95</p> <p><i>Among the Features Available at an Additional Cost Are:</i> Static IP Addresses; Anti-Virus/Anti-Spam; Domain Name Registration/Hosting; Web Hosting; Web Server Hosting; 10-100 Email Addresses; 1 GB Storage and Transfer; Live, Local Customer Service and 24/7 Support</p>

Notes & Sources:

- ¹ The states examined for purposes of this comparison are Arizona, Colorado, Minnesota, Oregon, Utah, and Washington. Qwest and Integra provide service in all six of these states. Cox provides service in one of these states, Arizona.
- ² Qwest offers Qwest Choice Home Plus (bundled with Qwest Unlimited Long Distance) for \$42.99 per month in Arizona, Oregon, and Utah. *See, e.g.*, Qwest: Customize Bundles, Zip Code 85016, https://myaccount.qwest.com/MasterWebPortal/appmanager/home/Shop?_nfpb=true&_pageLabel=ShopResBundlesBook (last visited Mar. 31, 2009). Qwest offers Qwest Choice Home Plus (bundled with Qwest Unlimited Long Distance) for \$44.99 per month in Colorado, Minnesota, and Washington. *See, e.g.*, Qwest: Customize Bundles, Zip Code 80201, https://myaccount.qwest.com/MasterWebPortal/appmanager/home/Shop?_nfpb=true&_pageLabel=ShopResBundlesBook (last visited Mar. 31, 2009).
- ³ Qwest offers Qwest Choice Business Plus with Qwest Choice Unlimited Long Distance for \$69.99 in Arizona, Colorado, Minnesota, Oregon, and Washington. *See, e.g.*, Qwest Business Voice, Arizona, <http://www.qwest.com/smallbusiness/products/digitalvoice/index.html> (last visited Mar. 31, 2009). Qwest offers Qwest Choice Business Plus with Qwest Choice Unlimited Long Distance for \$64.99 in Utah. *See* Qwest Business Voice, Utah, <http://www.qwest.com/smallbusiness/products/digitalvoice/index.html> (last visited Mar. 31, 2009).
- ⁴ *See, e.g.*, Qwest: Broadband Landing, Zip Code 85016, https://myaccount.qwest.com/MasterWebPortal/appmanager/home/Shop?_nfpb=true&_pageLabel=ShopBroadbandBook (last visited Mar. 31, 2009); Qwest: Broadband Landing, Zip Code 80201, https://myaccount.qwest.com/MasterWebPortal/appmanager/home/Shop?_nfpb=true&_pageLabel=ShopBroadbandBook (last visited Mar. 31, 2009).
- ⁵ *See, e.g.*, Compare Pricing Plans for Qwest High-Speed Internet, Arizona, <http://www.qwest.com/smallbusiness/internet/pricing.html> (last visited Mar. 31, 2009); Compare Pricing Plans for Qwest High-Speed Internet, Colorado, <http://www.qwest.com/smallbusiness/internet/pricing.html> (last visited Mar. 31, 2009).
- ⁶ *See* Cox Residential Phone Plans Overview, Arizona, <http://ww2.cox.com/residential/arizona/phone/phone-plans.cox> (last visited Mar. 31, 2009).
- ⁷ Integra internal research.
- ⁸ *Id.*
- ⁹ *See* Cox Digital Telephone and Voice Mail, http://www.coxbusiness.com/pdfs/DT-VM_4pgDS.pdf (last visited Mar. 31, 2009).
- ¹⁰ *See* Cox Preferred Internet Overview, Arizona, <http://ww2.cox.com/residential/arizona/internet/preferred-internet.cox> (last visited Mar. 31, 2009).
- ¹¹ *See* Cox Business Internet, <http://www.coxbusiness.com/pdfs/CBI-GEN-0508.pdf> (last visited Mar. 31, 2009).
- ¹² Integra internal research.
- ¹³ *See* Integra Basic Telephone Lines for Businesses, http://www.integratelecom.com/services/Business_Telephone_Lines.php (last visited Mar. 31, 2009).
- ¹⁴ *See* Integra DSL for Businesses, <http://www.integratelecom.com/services/Broadband.php> (last visited Mar. 31, 2009).